

February 7, 2006



TRANSCRIPT
February 7, 2006

MONTGOMERY COUNTY COUNCIL

PRESENT

George Leventhal, President	Marilyn J. Praisner, Vice President
Phil Andrews	Howard Denis
Nancy Floreen	Michael Knapp
Thomas Perez	Steven A. Silverman
Michael Subin	

February 7, 2006



[MUSICAL INTERLUDE]

Council President Leventhal,
Good morning, is Deacon Schaffer with us? Deacon, please begin. Rise for a moment of prayer.

Deacon Greg Schaffer,
God of love, bless the members of the Montgomery County Council and their staffs. Help them reach out to all the residents of this County, especially the poor and vulnerable. Give them the insight to know what is right and the courage to do it. Give them the grace of perseverance in the face of obstacles and the gift of kindness in dealing with all their constituents. Hear this prayer which we present in your sacred name, amen.

Council President Leventhal,
Amen. Thank you very much, Deacon. That was Deacon Greg Schaffer of St. Francis Assisi Church in Derwood. We have a presentation in a Proclamation by Councilmember Andrews.

Councilmember Andrews,
Thank you, would the champs please join me up here at the table? Congratulations.

Sarah Fillmore,
Thank you.

Councilmember Andrews,
Congratulations. Good work.

Sara Lagier,
Thank you.

Multiple Speakers,
[INAUDIBLE]
[LAUGHTER]

Councilmember Andrews,
All right, one of the great pleasures of serving on the County Council is recognizing terrific achievements of County individuals and teams. And that's what I have the opportunity to do this morning in recognizing the great accomplishment of the Gaithersburg High School Varsity Girls Volleyball Team, which this year won the Maryland State 4A championship. The first time that the volleyball team has done so -- and did so going undefeated, 19-0, this season, a real season to remember. This is a team that faced an extremely difficult challenge in the state semi-final game, playing their archrival nemesis Broadneck, which had previously stopped them from going further in the tournament and it looked like that might happen this year as well, because they fell down two games -- they lost the two games of the match -- post games -- but

February 7, 2006



1 they dug deep. This is -- volleyball players know how to dig and this is a team that really
2 dug deep at that moment and pulled the match out, won the next three games, and beat
3 Delaney in three straight games in the final to win the championship for the first time.
4 This is Michaela Dinningham, the coach's 17th year. She's built the team into a
5 powerhouse. The team, I think went 65-5 in the regular season in the last five years,
6 and this year went all the way. And it's a large tribute to her tenacity and perseverance
7 and the team that she assembled and all the folks who contributed, thank you as well.
8 So on behalf of the County Council I want to read a Proclamation. Let me just say one
9 other thing. The match that you had against Broadneck is something that I think will
10 serve you well for a long, long time. Because when you face adversity in other parts of
11 your life in the future you can remember the Broadneck game and how up came back
12 from that and apply that same kind of tenacity to other challenges that you face as you
13 continue on in your life. So it's a good lesson, I think, and it's a real triumph of character
14 to come back from something like that, given the history of that rivalry. So, this
15 Proclamation says, "County Council, Montgomery County, Maryland. Whereas
16 Gaithersburg High School Girls Varsity Volleyball Team, the Trojans, in an undefeated
17 season won the girls Maryland 4A state championship volleyball title, dominating the
18 state championship field. And whereas Gaithersburg has made it to the state semi-finals
19 four times in the past. But this year the Trojans won their first state championship in the
20 school's history. And whereas the family and friends of the Gaithersburg Trojans are
21 proud of the players, coaching staff, teachers, and school administrators who
22 contributed to make this volleyball season one to remember. And whereas all the
23 players and the coaches deserve hearty kudos for setting their sights high and realizing
24 their dreams. And whereas through their own hard work and determination the
25 Gaithersburg Trojans are champions. Now therefore be it resolved that the Montgomery
26 County Council congratulates the Gaithersburg High School Girls Volleyball team, and
27 be it further resolved that the County Council joins the families, friends, fans, and the
28 outstanding coaching staff at Gaithersburg High School in recognizing this wonderful
29 achievement." Presented this seventh day of February in the year 2006. Signed by
30 Council President George Leventhal. Congratulations.

31
32 Michaela Dinningham,
33 Thank you very much.

34
35 [APPLAUSE]

36
37 Councilmember Andrews,
38 Coach, would you like to have the players introduce themselves, say their name and
39 position, and maybe their year, and then please say a few words.

40
41 Michaela Dinningham,
42 Sure. Go ahead, Rache.

43
44 Rachel Weeks,
45 I'm Rachel Weeks, and I [INAUDIBLE]...

February 7, 2006



1 Michaelae Dinningham,
2 Yes, you are.

3
4 Rachel Weeks,
5 And I'm '08.

6
7 Colleen Everett,
8 I'm Colleen Everett, I'm a Backer/Passer and I'm '09.

9
10 Kaitlin Straiter,
11 Kaitlin Straiter, Outside Hitter and I'm Class of 2007.

12
13 Stephanie Strasnick,
14 I'm Stephanie Strasnick. I'm a Center and I'm Class of 2008.

15
16 Erin Mason,
17 I'm Erin Mason, I'm a Middle Hitter and a Junior.

18
19 Jacqueline Erb,
20 I'm Jacqueline Erb, I'm a Center, and Class of [INAUDIBLE].

21
22 Ayssa Mendoza,
23 Ayssa Mendoza, I'm a Defensive Specialist and I am a Senior in the Class of 2006.

24
25 Meggie Sorrell,
26 I'm Meggie Sorrell, I'm a Right Side Hitter and I'm also Senior, Class of 2006.

27
28 Lauren Zahn,
29 I'm Lauren Zahn, I'm a Middle Hitter and Senior, 2006.

30
31 Sharm Chelliah,
32 Sharm Chelliah, Manager, 2006.

33
34 [LAUGHTER AND APPLAUSE]

35
36 Sara Lagier,
37 Sara Lagier, Defensive Specialist, Class of 2006.

38
39 Tasha Young,
40 I'm Tasha Young, I'm a Defensive Specialist, and I'm a Junior.

41
42 Councilmember Andrews,
43 You're one of those diggers, right?

44
45 Tasha Young,
46 Yeah.

February 7, 2006



[LAUGHTER]

Sarah Fillmore,
I'm Sarah Fillmore, I'm an Outside Middle Hitter and I'm also a Senior, Class 2006.

Brigitte Fabre,
I'm Brigitte Fabre and [INAUDIBLE] and Class of 2007.

Erin Shope,
Erin Shope and an Outside and Right side Hitter and Class of 2006.

Councilmember Andrews,
Okay, and so 7 seniors, right, and 7 or eight returning? Okay, good foundation. Please say a few words. Come on up here.

Michaele Dinningham,
Well, my girls will tell you I'm never at a loss for words, but it just seems that these -- the honors that we have been given since November 17th, it's hard to express how much we appreciate it, not only for the team and in honor of their accomplishments, but for Gaithersburg High School. It's a honor for me to bring a championship home. It only took, what, 101 years, since the school's been in existence. But it really is a honor and I'm so proud not only for Gaithersburg High School, but representing Montgomery County. Every time we go to the state championships -- and it's not just been Gaithersburg, although we have been there more often than other schools lately -- representing Montgomery County in a state championship means a lot. It means a lot to the County, it means a lot to the coaches, and I'm sure it means a lot to you all, and certainly to the schools. So it is a honor and a privilege not only to receive these awards, but really it's been a honor to share part of my journey with these young ladies. The character and the integrity of this group of girls has been unmatched, and I know from -- what you said is very true. The learning experiences that they've had in being able to be a part of not just a championship, but being a group of sisters is going to last them a lifetime. It's going to get them that job that they wanted, that scholarship that they're looking forward to, and it's a lifelong achievement. It's something that will always be a part of Gaithersburg High School but also a part of their lives and their families' lives and the commitment that they've also been involved with in order to get these young ladies and this amazing gentleman where they are today. So again, thank you, County Councilmembers, all of you, for having us here, but especially to you, Mr. Andrews. And, again, thank you on behalf of Gaithersburg High School and my wonderful amazing team. Thanks.

Councilmember Andrews,
Good job. Good job.

[APPLAUSE]

February 7, 2006



1 Councilmember Andrews,
2 I know that one player could not be with us, Amanda [Cramp], who is one of the team
3 leaders.

4
5 Michael Dinningham,
6 I know that she's...

7
8 Councilmember Andrews,
9 And she's studying for a test and very much wanted to be here I know.

10
11 Michael Dinningham,
12 Yes, yes.

13
14 Councilmember Andrews,
15 We congratulate her also.

16
17 Michael Dinningham,
18 Thank you.

19
20 Councilmember Andrews,
21 And I think they want us to get together for a photograph so let's see, I guess the setters
22 in the front, hitters in the back, right? Okay.

23
24 Michael Dinningham,
25 Tash, Tash, you want to go up front, honey? Not because you're smaller, just...

26
27 Councilmember Andrews,
28 All right, okay, you might want to -- let's see, you guys...

29
30 Unidentified Speaker,
31 ...first time I'm ever considered tall so I'm kind of upset.

32
33 Councilmember Andrews,
34 There you go.

35
36 Unidentified Speaker,
37 Everybody look forward and make sure you can see me. You in the back, make sure
38 you're facing.

39
40 Michael Dinningham,
41 Me in the back?

42
43 [LAUGHTER]

44
45 Unidentified Speaker,

February 7, 2006



1 I don't know everybody's name yet. Look forward. Smile. One more. Thank you.

2
3 Multiple Speakers,
4 Thank you.

5
6 Councilmember Andrews,
7 All right, have a great rest of the year.

8
9 Michaele Dinningham,
10 Thank you, thanks again.

11
12 Council President Leventhal,
13 Okay, thank you to our state champs. We have another Proclamation, also recognizing
14 an outstanding young person here in Montgomery County, by Councilwoman Praisner.

15
16 Councilmember Praisner,
17 Joshua, [INAUDIBLE].

18
19 Robert Hartman,
20 Good morning.

21
22 Council President Leventhal,
23 Good morning.

24
25 Councilmember Praisner,
26 Good morning. I have the pleasure of introducing everyone to a true Montgomery
27 County hero. Josh Hartman and his father Robert are here. And I'm going to tell you
28 through the Proclamation the story of what happened and then we'll see if Josh would
29 like to say anything, okay? "Whereas in the early morning hours of December 12th,
30 2005, Josh Hartman, a second grader, found his father Robert Hartman sleeping on a
31 bedroom floor. And whereas Robert Hartman remembers waking up and seeing his son
32 holding his hand and looking at him, he told his son he was having a heart attack, and
33 asked Josh to call 911. And whereas Josh had been taught what to do for a number of
34 different scenarios from the house being on fire, to what to do if daddy couldn't wake up.
35 And whereas Joshua remained calm and called 911 on his Firefly, a small emergency
36 phone designed for children, that his dad had just bought him the day before. And
37 whereas Joshua Hartman, a student at Flower Hill Elementary School -- and previously
38 at Twinbrook, right... is an inspiration to young and old alike and a source of pride to his
39 dad and the family. Now therefore it be it resolved that the Montgomery County Council
40 hereby salutes local hero Joshua Hartman. And be it further resolved that the
41 Montgomery County Council commends Josh for keeping his head in the midst of a
42 crisis, for his quick thinking, and his swift action." Signed the 7th day of February in the
43 year 2006, by our County Council President, George Leventhal, and this is for you.

44
45 [APPLAUSE]
46

February 7, 2006



1 Councilmember Praisner,
2 I know you already got a Montgomery County flag, but I've got another one so you can
3 put one on either end and I've also got a pin from the Montgomery County Council, a
4 County pin, and also years ago, former Councilmember Bill Hanna had a contest and
5 the students and children of Montgomery County named the official bird and the flower
6 or tree of Montgomery County. So the robin is the official bird, and the tree is the
7 dogwood. And here's a map of Montgomery County with the dogwood and the robin on
8 it, and that's for you too. Now, would you like to say something?

9
10 Joshua Hartman,
11 Yeah.

12
13 Councilmember Praisner,
14 Sure, go ahead.

15
16 Joshua Hartman,
17 I don't know...

18
19 Councilmember Praisner,
20 Go ahead.

21
22 Robert Hartman,
23 Say thank you.

24
25 Joshua Hartman,
26 Thank you for this stuff...I forgot.

27
28 [LAUGHTER]

29
30 Robert Hartman,
31 Well, one of the things Joshua wanted to say -- and I'll do the first part and you can do
32 the second part -- is that every kid should what?

33
34 Joshua Hartman,
35 Should know how to...

36
37 Robert Hartman,
38 Should know how to save people's lives by calling 911, right?

39
40 Joshua Hartman,
41 Uh-huh.

42
43 Robert Hartman,
44 And that I'm very thankful that he saved my life that night.

45
46 Council President Leventhal,

February 7, 2006



1 Great.

2
3 Councilmember Praisner,
4 We all are, and it's terrific.

5
6 [APPLAUSE]

7
8 Council President Leventhal,
9 Good job, Joshua.

10
11 Councilmember Praisner,
12 They want to take a picture of us, so you want us -- let's stand away from the
13 microphone and take a picture. Let's hold up the Proclamation so you can -- oops, I'll
14 get that in a minute, okay?

15
16 Unidentified Speaker,
17 Congratulations.

18
19 Councilmember Praisner,
20 Yeah. Okay, terrific. Thank you so much for coming and sharing your story with us. And
21 I hope everybody in Montgomery County learns that lesson about 911.

22
23 Multiple Speakers,
24 [INAUDIBLE]

25
26 Council President Leventhal,
27 Well done, thank you. Bye-bye. Thanks, Joshua. Excellent. Okay, agenda and calendar
28 changes, Ms. Lauer.

29
30 Linda Lauer,
31 The Consent Calendar, we have an addition of Item J: Readoption of a Resolution
32 Setting Transportation Fees, Charges, and Fares. Also there's been -- there have been
33 a couple of changes this week that we just are announcing. We were able to
34 accommodate all the speakers for the CIP hearings either tonight or tomorrow night
35 and, therefore, have cancelled the hearing on Thursday, February 9th. Also on February
36 9th, two other changes happened. We have cancelled the PHED meeting, and we have
37 cancelled the T&E Meeting. MFP is still meeting.

38
39 [LAUGHTER]

40
41 Councilmember Praisner,
42 I'm sorry.

43
44 Linda Lauer,

February 7, 2006



1 And then petitions, the Council has received two petitions: One opposing paid parking
2 for the new library in Rockville Town Center, and another one supporting the renovation
3 of the Gaithersburg Library.

4
5 Council President Leventhal,
6 Thank you, and I understand there are two petitions?

7
8 Linda Lauer,
9 Yes, I just -- yeah, that was the Gaithersburg Library and the Rockville Town Center.

10
11 Council President Leventhal,
12 A little noise in the room. Okay, and we have minutes for approval?

13
14 Mary Ann Paradise - Deputy Council Clerk,
15 Yes, you have the minutes for 19th, 23rd, and 24th for approval.

16
17 Council President Leventhal,
18 Okay, is there a motion to approve the minutes?

19
20 Councilmember Andrews,
21 So moved.

22
23 Councilmember Praisner,
24 Second.

25
26 Council President Leventhal,
27 Mr. Andrews has moved and Ms. Praisner has seconded a motion to approve the
28 minutes. Those in favor of approving the minutes will signify by raising their hands. It is
29 unanimous among those present. Let me inform anyone watching that Mr. Subin is out
30 on Council businesses. He's with Superintendent Weast making an announcement this
31 morning and we expect that Mr. Subin will be with us later on this morning. Consent
32 calendar, we have...

33
34 Councilmember Praisner,
35 Move approval.

36
37 Council President Leventhal,
38 ...a motion from Ms. Praisner, seconded by Mr. Andrews to approve the Consent
39 Calendar and Ms. Floreen has comments.

40
41 Councilmember Floreen,
42 Well, I have a question. Thank you, Mr. President. I had a question about item number
43 D. This is the incubator program. Is there a dollar amount associated with this?

44
45 Council President Leventhal,

February 7, 2006



1 We have not yet identified a dollar amount. We will do that in the course of our budget
2 discussion.

3
4 Councilmember Floreen,

5 Okay, I guess I would simply say I would hope we look at a range of services out there.
6 I didn't have a chance to attend the meeting, but I would hope that this will be a
7 coordinated effort as much as anything for the nonprofit community. Thank you.

8
9 Council President Leventhal,
10 Thank you. Ms. Praisner.

11
12 Councilmember Praisner,

13 I had a comment on item -- oh, I lost it, excuse me. A comment on item C. That is a
14 resolution to transfer project balances within MCPS capital budget and amend the CIP.
15 We're taking funds from the -- left over from the Northwest High School project and
16 moving it to the local unliquidated surplus. As the packet indicates it's related to issues
17 associated with Wood Middle School. I don't remember ever being briefed that there
18 were ongoing fiscal issues associated with Wood Middle School which was finished
19 many years ago. Given that we're supposed to be getting a status report on
20 construction, I think we'll need to make sure if there are outstanding potential fiscal
21 issues with any projects in any agencies, not just the school system, that the Council is
22 informed and is aware of it. This is not a little amount of money and it certainly could
23 have been used for other things in the school system if it wasn't being used to settle
24 some outstanding issues with Wood that we weren't even -- or at least I was not aware
25 of. So I would hope in the future that that would be ongoing notice to Councilmembers.

26
27 Council President Leventhal,

28 Okay, there are no further comments on the Consent Calendar. Those in favor of the
29 Consent Calendar will signify by raising their hands. It is unanimous among those
30 present. We will next take up Spending Affordability Guidelines for the FY '07 capital
31 budget. Ms. Praisner.

32
33 Councilmember Praisner,

34 Let me get my stuff, it just disappeared, what happened to my packet? The Committee
35 had a -- I'm sorry -- Committee had a conversation on spending affordability. As you
36 know, the spending affordability process for the capital budget as well as for the
37 operating and, in this case we're dealing obviously with the six-year CIP, requires that
38 the Council review the amounts in the time period of the spring in order to see if there
39 are any changed conditions that would suggest modifications. The maximum that the
40 Committee -- the Council may adjust the CIP at this point in the process is 10%. The --
41 for the first two years and the aggregate years is actually the amount -- the years that
42 we're dealing with most specifically, but we obviously are dealing with each of the years
43 as well, as the Council when we deal with the capital budget, we'll be looking at the six
44 years of the CIP. Within the Committee's discussion, we had a variety of conversations
45 about issues associated with state assumptions, with impact tax assumptions, and
46 Recordation Tax assumptions. We had also had conversation about PAYGO, which

February 7, 2006



1 obviously are current revenue funds used for capital budget projects. Those are both
2 capital budgets projects for which bonds cannot be used and capital budget projects for
3 which bonds can be used, that we use current revenue instead in order to keep the rate
4 of debt down. Those PAYGO issues are obviously a function not only of the capital
5 budget conversation but also of the operating budget conversation which we will have
6 later this year in the spring as we go through the operating budget process. The
7 Committee has a split recommendation as it relates to the County Government bonds.
8 We have a unanimous recommendation as it relates to Park and Planning Commission
9 bonds. The Planning Commission bonds don't appear on the cover of the packet, I
10 think, but they are within the packet. The Committee unanimously recommends
11 retaining the guidelines and targets for Park and Planning, which are \$3.5 million for '07,
12 \$4 million for '08, and \$23.5 million for FY '07-12. The Executive's recommendations are
13 consistent with those existing guidelines. And there are some issues that we will
14 obviously discuss when we discuss Park and Planning Commission and when we hear
15 from the Planning Board, but those are the recommendations. We will adjust inflation
16 rates for all the issues associated with inflation when we get further information from
17 Finance, again within the context of the operating budget, and that will relate both to
18 Park and Planning and to County Government bonds. The Committee recommendation
19 on assumptions for state aid, I used the County Executive's estimates for now, but,
20 again, when we're dealing with Annapolis, and as everyone knows, it's an uphill battle
21 always to get additional revenue for school construction, almost every jurisdiction in the
22 state is appealing to the Board of Public Works and others, the counties are unanimous
23 with The Board of Education in arguing for \$400 million in school construction money
24 this year. The governor has put \$281 million, I think it is, into his budget. The legislature
25 is anxious to put more in, but of course, a great deal, almost 75% I believe of the \$281,
26 is already committed through the inner agency process and the Board of Public Works.
27 So it's not -- and in essence that is a requirement of the Legislature that they do so. So
28 although we're making an assumption of \$30 million, we certainly -- for this coming year
29 and \$40 million for each of the coming years -- we all recognize that's a challenge and
30 we will have to reconcile issues when we get finished and know what has happened
31 with Annapolis. As I had said we had some conversation about impact tax issues, and
32 one of the challenges is that as we've gotten to know School Impact Tax issues, the
33 calculations for School Impact Tax are dependent upon the kind of construction done
34 and the variables associated with it. Our Council staff did a little further work and had
35 modified the assumptions dealing with what had come over from Finance. At this point
36 in the process the Committee I believe is recommending using Finance's numbers. But
37 this too is a evolving process and as we get more information through the -- more of this
38 year's calculations and information -- we may be able to know more. But depending
39 upon the housing units, you're going to generate different amounts of money for school
40 construction -- for the School Impact Tax. The Transportation Impact Tax has different
41 kinds of issues associated with it. It depends upon where it's collected where it can be
42 used. But the Committee, again, was uncomfortable at this point coming up with a
43 different estimate, want our staff to continue to work with Finance and to the extent we
44 see more information. One of the concerns with the Transportation Impact Taxes, as
45 you know in the past -- you could call it a loan from County Government for a roads for
46 which impact tax was supposed to pay some of the cost, but the impact tax revenue

February 7, 2006



1 wasn't there at the time. So we sort of forward-funded with general revenue the impact
2 tax portion of a project. That meant, and I think we all agree, that there had to be a
3 payback to the County in that process. We've gone through that, but -- and resolved that
4 -- but we don't want to get in that same situation in the future. So we'll have to track --
5 and I assume the T&E Committee as they look at transportation projects will look at the
6 element of impact tax associated with it, and what the current state of impact taxes,
7 especially if it's a region where, isolated region, from a standpoint of use of money like
8 Clarksburg, where the revenue has been coming in, the projects associated -- impact
9 tax projects can probably be achieved. But potentially there may be a problem in other
10 areas. So I alert you to that because those are issues that will continue to evolve. The
11 other is the Recordation Tax revenue assumptions. Here we agree with the Executive,
12 and as you can see on page 7 of the packet, revenue is significantly higher than what
13 we assumed would be the case in September. The Executive is now recommending
14 \$6.5 million more than what we had assumed in September. That's a function of the
15 volatility of the Recordation Tax. This is the special amount of the Recordation Tax. Mr.
16 Subin's initiative to assign that for the college's technology and for the school system.
17 But as we all know, not only hard to project but hard to assume over a long term
18 because of the fluctuations. We have seen a slowdown in the number of house sales
19 and refinancing, but the value of the houses has kind of modified or compensated for
20 that. That's something else that we will have to track. In the issue of PAYGO, as I
21 indicated, staff and the Committee were recommending raising PAYGO by \$.5 million a
22 year to \$24.5 million. Mr. Denis recommends setting PAYGO at \$26.4 million for '07-08
23 and at \$29 million for '09 and '10, that's actually less than the majority of the Committee.
24 That PAYGO amount is a function of the bond limits being recommended because of
25 the policy that we are trying to adhere to of using 10% of the bonds -- bond element for
26 PAYGO. You'll see within the County Executive's budget, and it's on Circle 12 of our
27 packet, a policy... a good fiscal policy of using Pay-As-You-Go, PAYGO financing funds
28 allocating to the CIP at least 10% of the amount of general obligation bonds planned for
29 issuance that year. Since Mr. Denis is recommending a higher issuance he, in order to
30 conform to the policy goal, has to recommend a higher PAYGO So the "PAYGOs"
31 recommended by the Committee minority are reflective of a difference in the six years --
32 each of the six-year allocations for bonds capacity. Again, there's nothing that stops the
33 Council from allocating more PAYGO funds than the minimum and also there's nothing
34 that stops the Council as we go through both the operating and capital budget of taking
35 operating budget revenues, same thing, they're either PAYGO or they're operating
36 budget, and using them for PAYGO. In the past, the County has -- in recent years -- not
37 followed what would be the best fiscal policy by not reaching that 10%. And has I think
38 used -- well, has used PAYGO funds -- what could be PAYGO funds -- for operating
39 funds expenses shifting PAYGO into the operating budget. This is a year where the
40 Council given projections and when we look at the future operating budget when the
41 Executive comes over with his operating budget, there's nothing to preclude the Council
42 from looking at PAYGO, not for operating budget but moving more into PAYGO. I say all
43 that because we're now coming to the G.O. Bond Spending Affordability Guidelines that
44 are being recommended by the Committee, and Mr. Denis has a minority
45 recommendation. The Committee's recommendation is to raise the spending of
46 affordability guideline by \$5 million annually from \$240 to \$245, thereby raising the six-

February 7, 2006



1 year guidelines to \$1.47 billion. Mr. Denis, who I'm sure would like to speak for himself,
2 is recommending that we raise '07 and '08 to \$264 -- that's the maximum 10% -- and
3 reduce the '09 and '10 targets to %235 and the FY '11 and '12 targets to \$230, thereby
4 raising the six-year guidelines to \$1.458 billion. The Committee -- I'm not sure if the
5 Executive is -- has deviated from his recommended capital budget which is the \$140,
6 but -- \$240, I'm sorry -- oh, I apologize.

7
8 Councilmember Perez,
9 The phone's ringing right now.

10
11 Councilmember Praisner,
12 I'm sure! I apologize to the County Executive. You can see on page 2 of the chart, the
13 Executive's recommendation for '07 through the six years to FY '12 of \$240. So that in
14 essence is the Committee's recommendation. I'll have some additional comments, Mr.
15 Leventhal, it seems to me will probably, I could predict have a discussion on the G.O.
16 Bonds. But perhaps we can deal with the Park and Planning first and take that off the
17 table since there were no differences of opinion, and I have heard of no
18 recommendations beyond the -- what the Executive and the Committee are proposing.

19
20 Council President Leventhal,
21 Fine. Mr. Denis, if it's acceptable to you we'll have the Park and Planning
22 recommendations first and then you'll be first in line to speak once we have done that. Is
23 there any objections to the MFP Committee's recommendations on Park and Planning
24 borrowing? If there's none, it'll be an adopted. Okay, Mr. Denis.

25
26 Councilmember Denis,
27 Thank you, Mr. President, and I thank the Chair for her thorough explanation. I have a
28 somewhat different view of a couple of the items and I guess I'm guided by the famous
29 principle in the "Law of Holes." When you're in one, stop digging, and try to fill it up and
30 get out as best you can. We've been basically been put in the position where we have
31 roughly a \$81 million hole in the CIP so far as schools are concerned. And this is a
32 matter of grave seriousness for the County. And it's something that I think we should
33 start to address here and now. We have to. There's really no alternative. I'm reminded
34 of the movie "Home Alone" in which one of the kids says, "How much does it cost to fly
35 to Los Angeles?" And the other kid says, "Nobody knows." And what makes that line
36 somewhat humorous is that it encapsulates the fact that there's so many variables
37 involved that it's impossible to give a concise answer. And that's kind of the way I feel
38 about spending affordability at this particular stage of the process, when we are
39 presented with an action item entitled "Guidelines and Assumptions." so my view as
40 expressed in the packet which can be seen on page 1, for FY '07 -- fiscal year '07, fiscal
41 year '08 with the general obligation bonds, \$264 million a year, and the implications for
42 PAYGO as well. On page 2 of the packet, you can see on the bottom line of Table 1A
43 what my precise recommendations are from \$264 million down the line. And guided in
44 this by two other items in the packet. The first is on Circle 12 where the -- basically our
45 limitations on PAYGO are laid out. And it says the County will allocate to the CIP each
46 year as PAYGO at least 10% of the amount of general obligation bonds planned for

February 7, 2006



1 issue that year. Then, following the bouncing ball, moving backwards to Circle 10, this is
2 actually the Debt Capacity Analysis that staff prepared that incorporates my
3 recommendations, because you can see on top, \$264 million, and if you look on line 3
4 labeled "Debt Service" you can see that we are under the 10% for all of those years. So
5 we are within the guidelines, and I think it's important that we address these issues, and
6 there's no doubt in my mind that we can afford it and that the Council will make the
7 appropriate decisions not only this year but in the years to come in order to help the
8 County dig ourselves out of the hole that we were put in by the CIP, the Capital
9 Improvements Program, that was presented to us. So if a motion is in order, Mr.
10 President, I would -- if a motion is in order I would so move my recommendations.

11
12 Council President Leventhal,

13 The motion is made by Mr. Denis and seconded by Mr. Silverman that the FY '07 and
14 FY '08 G.O. Bond guidelines should be raised to \$264 million a year. That the '09 and
15 '010 targets should be reduced to \$235 million a year, the FY '11 and FY '12 targets be
16 reduced to \$230 million a year. The six-year guideline be raised to \$1.458 billion and
17 that the commensurate PAYGO changes should also be made as detailed on the front
18 of the memo. Is there discussion on the motion?

19
20 Councilmember Praisner,
21 I'd like to speak.

22
23 Council President Leventhal,
24 Ms. Praisner.

25
26 Councilmember Praisner,

27 The discussion I'd like to have is related to the conversation we had within the
28 Committee. There is nothing that precludes the Council from taking this action if there
29 are five votes to do so but I think you need to understand one of the issues that is
30 associated with an assumption that I think is not grounded in history or practice of this
31 Council or this County. And for that I'd like to pass out a document that I asked Mr. Orlin
32 to prepare. I think there's enough copies for my colleagues here at the table, and Mr.
33 Orlin has extra copies as well. And Mr. Denis' proposal reduces the capital budget in the
34 out years while increasing dramatically the capital budget in these current years with I
35 guess the assumption then when we get to those years of the out years, we're going to
36 stay at the level that he is proposing. Otherwise, we will be at the 10% sooner than
37 later. And the problem is that reality will catch up with us just as it has in the past. If you
38 look at the chart that Glenn has prepared at my request, you will see that when we take
39 an action for a current year we're at a certain number -- and I'll show you examples --
40 and we project out a number, but in almost no occasion when we get to that year in
41 actuality do we stay at the number we projected. So, for example, in FY '01-06 you will
42 see that we had \$140 million for the first fiscal year FY '01 and we assumed in FY '05
43 that we would spend \$129 million. Now it's at \$209 million. We assumed in FY '05 that
44 we would spend \$200 million in FY '09. Now it's proposed by -- oh, by the Executive and
45 the Committee -- well, the Executive to be at \$240 and the Committee to be at \$245. So
46 to assume that we will start in the first two years at \$264, and then tell the school

February 7, 2006



1 system and everyone else when they come back to us in FY '09, no, we're going to stay
2 at \$235 is I think ignoring the reality of what the Councils have done in the past. To go --
3 only on one occasion has the Council reduced spending affordability, reduced the
4 capital budget from projected numbers and that was at the height of the early '90's fiscal
5 challenges, and we haven't seen that kind of action of the past since then, even in fiscal
6 problem years. So, for example, FY '05, \$190 for '09, now \$235. \$190 for FY '10
7 proposed by Mr. Denis at \$235 after two years at \$264. My point is -- and I think the
8 Executive branch stated it at the Committee, as did Council staff -- the plugging in of
9 numbers that are unrealistic, because they do not reflect County behavior of the past,
10 and knowing the pressures that we continue to have from the school system and others
11 is to say that it works, but it only works today. And it's not going to last, and to build the
12 six-year budget on a house of cards is not a good idea.

13
14 Council President Leventhal,
15 Okay, Mr. Silverman followed by Ms. Floreen.

16
17 Councilmember Silverman,
18 Thank you, Mr. President, the chart that Dr. Orlin has put together and that Ms.
19 Praisner talked about. What's interesting I think is a couple of things. First of all, what
20 the chart doesn't show is prior to FY '94-99 when the capital budget, if I recall, was in
21 the \$800 million range, it took nearly a decade for subsequent Councils to use Mr.
22 Denis' analogy to dig out from the hole that occurred as a result of the recession in the
23 early '90s when the Council took the action that was necessary to take, which was to
24 scale back the capital budget from \$800 million to \$600 million. We are still in effect
25 paying for the recession of the early '90s, both in terms of school projects and
26 transportation projects, and when you look at the school budget in particular, you can
27 see those gymnasiums that are always at the back end of the school capital budget for
28 schools that were modernized or new schools that were built back in the '90s and gyms
29 were left by the wayside, because that was the prudent decision to make at the time. So
30 I think what this capital budget reflects is a continuing effort to try to catch up with
31 transportation projects, school projects, recreation centers, and libraries, just to mention
32 a few, that were really curtailed in the early '90s. Let me talk about or respond to Ms.
33 Praisner's point about what's going to happen in the out years. Do I think that the next
34 Council will increase above the proposed FY '09 numbers that are on Mr. Denis'
35 proposal? I'm sure of it, because that's historically what's happened. But it's not a
36 fiscally irresponsible position to lay out, in my opinion, bond guidelines the way they are
37 here because, in fact, that is what Council's -- previous Councils have done
38 consistently. And you know what? When we increased the bond levels, when we came
39 back a year later or two years later, we still remained within the debt service guidelines
40 which is the only standard we have to make sure we meet for affordability purposes.
41 The 10% debt service guideline is absolutely tied in to our operating budget. And the
42 piece that's missing here that we can't in effect responsibly do is to bump up the
43 numbers from FY '09 through FY '12 to what they probably will be because we don't
44 have anything remotely close to an understanding about what our operating budget is
45 going to be. But I think it's probably fair to say that \$235 will remain the right number for
46 FY '09 if in fact that number bumps up against the 10% guidelines. Because as long as

February 7, 2006



1 I've been here that's what I was told was the key benchmark. I think what will happen
2 will be more than \$235, it'll probably be more than \$264, but it'll still be still within our
3 10% debt service numbers because the operating budget will be larger. And that's what
4 we don't have a piece of information here. But this essentially tracks what, in fact,
5 Councils have done in previous years with putting lower numbers in the out years. I will
6 have a motion at the appropriate time with regard to PAYGO numbers, which I think will
7 provide an offset to the lowering of the capital numbers from FY '09 through '012. So I
8 think is it a responsible position to take in light of what historically has happened with
9 our operating budgets? I think the answer is yes. Is it affordable under our own
10 guidelines? The answer is yes. Do we have an enormous backlog of capital projects,
11 not just schools, but transportation, libraries, and schools? Absolutely, and can we
12 afford to do this? Absolutely, and that's why I'm going to support Mr. Denis' motion.

13
14 Council President Leventhal,
15 Ms. Floreen followed by Mr. Knapp.

16
17 Councilmember Floreen,
18 Thank you, I also am going to support Mr. Denis' motion. Many of the things Mr.
19 Silverman said, I agree with. The key issue in terms of fiscal responsibility is meeting
20 the guidelines in the affordability issue. I will say, based on the history that's been laid
21 out both in the chart that Ms. Praisner just provided us, I guess that Mr. Orlin had put
22 together, and in the packet itself on page 2, the numbers that this Council has agreed
23 upon in various CIPs has always been exceeded, and we actually have been able to
24 produce the things that we've needed to produce. The real challenge is the delay in
25 projects that has occurred, I guess as a result of long previous Councils' decision, has
26 simply driven up the cost. And I will note that the transportation -- just to add to the
27 school's issue that I know we're going to be hearing about in the next couple nights --
28 the transportation share of this currency CIP is the lowest of the last 20 years, except
29 for 1997. That's the kind of challenge that we're going to hear -- we may or may not
30 hear about coupled with a decrease in state highway spending. Our challenges on the
31 front that does not have large constituency except when people are stuck in traffic is an
32 enormous one. It goes to the issue of infrastructure that has been a priority of this
33 Council and I think we have an obligation to look at all of this very carefully. I am
34 sympathetic to Ms. Praisner's point, and I agree that these are numbers that can be
35 adjusted later on. I don't like this particular set of requirements that we must go through
36 to establish guidelines in the absence of seeing what is really on the table and
37 understanding what's driving the current CIP issues. We'll be getting into that very
38 shortly. But what I have come to appreciate is that we have a significant obligation to
39 provide, particularly on the CIP stuff, the infrastructure as soon as we can afford it. And I
40 think we can afford it under the facts that we have in front of us today.

41
42 Council President Leventhal,
43 Mr. Knapp.

44
45 Councilmember Knapp,

February 7, 2006



1 Thank you, Mr. President. I appreciate the comments everyone's made so far because
2 there's -- I think everyone has the right perspective. The notion that we are digging out
3 of a hole I think is very clear and very obvious and I appreciate everyone's recognition
4 of that. This becomes an interesting policy discussion because we go back and forth
5 each time we address these and talk about affordability versus spending, versus
6 affordability. And it's not how much -- it's not what we're going to spend, it's how much
7 we can afford. And yet what drives our discussion about how much we can afford is how
8 much we think we need to spend as opposed to the actual affordability itself. So, even
9 though we've talked about affordability in our remarks so far, people are talking about
10 affordability because we think there's an \$81 million hole. The reality is we don't know
11 that yet. We as a Council have yet to actually look at the budget. We've seen
12 speculation, we -- I finally have seen some conjecture as to what the County Executive
13 has done that we think has addressed the fact that, even though we've increased the
14 proposals by 20%, which should cover many of the shortfalls that are identified through
15 construction costs, that we're still kind of wildly out of whack. But we as a Council
16 haven't really gone through it. So I have grave concern about kind of raising my hand
17 today to increase a number because of what we think -- because we think we don't have
18 enough to spend when we really don't know that. And Ms. Floreen just indicated that
19 this is not the only time we have to do this. We have the opportunity to, as after we
20 analyze the CIP budget, which by the way we actually have the responsibility to pass, I
21 appreciate the fact that the County Executive has sent it over. But it's still ours. We have
22 to do it. He's made recommendations and guidelines and we can certainly look at that
23 and do with it what we will, but it's our responsibilities to review that and ultimately put
24 the pieces in the order we think they should go in. So I appreciate the guidance, but the
25 fact that there may be some discrepancy in what he's put out there versus what we think
26 the priority should be is for us to fix and for us to change. There's a sense that a vote
27 today is going to determine our capital budget, and the reality is that's not true at all.
28 Today is procedural vote that is merely that. It's a procedure that says what do we think
29 we can afford today, given what we think we know? Mr. Denis was exactly right. We
30 don't know a lot. And I guess my argument would be that we should take a reasonable
31 affordability approach to start our CIP review and once we go through the actual budget
32 recommendations and once we've heard all the testimony from everyone and we as our
33 Committees then go through and review, I think if at that point we've reached some
34 decision that what we thought was affordable relative to the projects that we want to
35 accommodate, if those don't line up, we as a Council -- say we need to exceed the \$245
36 that's recommend by the Committee by \$5 million, by \$10 million, by \$20 million. We
37 don't know at this point, but I think to kind of have that discussion now in the absence of
38 any information on the actual budget itself is premature. And so I think it makes more
39 sense to take a more moderate approach, which interestingly exceeds our discussion
40 from December by quite a bit. I think in December we increased 19%, 18.5%? Which at
41 that point seemed to be a pretty big step forward. And I appreciate Mr. Denis' motion at
42 that point which got us up to that number, but to then come back and go another \$20
43 million above that, I have concerns with at this point until we really know what it is that
44 we're voting on. And I don't think that anybody can say that. Clearly, we're digging out of
45 a hole. Clearly we support schools, we support transportation, we support a variety of
46 other projects and I think we need to -- I mean we've made that commitment, we'll

February 7, 2006



1 continue to make that commitment, and I personally make that commitment. But I want
2 to know what it is that we're funding before we raise our hand today and say we need to
3 have a spending affordability of \$264 million, without knowing what the projects are in
4 front of us. Can anybody tell me today how many projects will be funded if we increase
5 our spending affordability as has been proposed? No, because we haven't had that
6 discussion yet. So at this point it's premature to determine that. I think we need to go
7 through our budget process and determine what the projects are, determine what
8 priorities we're going to establish as a Council, and then, as we've said before, if we
9 need to go before the \$240 or the \$245, all we've got to do is raise our hands and do
10 that, once we know the projects are we're voting on.

11
12 Council President Leventhal,
13 Mr. Perez.

14
15 Councilmember Perez,
16 I intend to support this motion by Mr. Denis. I do believe we can afford \$264 million. We
17 make appropriately conservative assumptions about revenues and we, as a result of
18 those conservative assumptions, have been satisfied with those assumptions. And I
19 have no doubt that the revenue exists in terms of what we're getting in in various
20 receipts and that we can afford this. I do believe, as others have said, that we will
21 remain within our Debt Service Guideline. I'm not quite sure why the out years are \$230
22 million as opposed to \$235, I don't know if that would put us over the debt service, and I
23 assume... Okay, there you go. Okay, there you go. And I guess and we could have a
24 conversation about whether this is the right way, and I'm not sure I disagree with Ms.
25 Praisner's observation there, but her chart is actually very instructive for me because
26 back on the second line, '95 to 2000, we projected that we'd have \$107 million in 2000
27 and then when we actually got there we had \$130 million. In '99 to '04 we projected that
28 we'd have \$120 million in '04, and when we actually got there we had \$171 million. So,
29 yes, this is going to happen again. And I would simply observe that we were within -- we
30 lived within our means when we did that. I don't think we put our bond ratings in
31 jeopardy when we did that, and I'm quite confident we can afford to do this again. And
32 that's why I don't have any difficulty doing this. I do believe that we can invest more in
33 PAYGO. I think somebody made an observation that they're going to talk about that. I
34 think our PAYGO assumptions are a little bit low and I would actually support raising
35 those. I need to think about how much, but I think those assumptions are unduly
36 conservative in terms of what we can afford to invest in PAYGO for the upcoming year.

37
38 Council President Leventhal,
39 Okay, before we vote, Mr. Firestine did you want to make any comments or are you just
40 here as a -- as an observer?

41
42 [LAUGHTER]

43
44 Councilmember Praisner,
45 He can count.

February 7, 2006



1 Council President Leventhal,
2 I haven't said how I'm going to vote yet.

3
4 Councilmember Praisner,
5 I think he can count.

6
7 [LAUGHTER]

8
9 Council President Leventhal,
10 Although I would say the suspense is at a minimum here because each year after the
11 MFP Committee comes up with its Spending Affordability Guidelines, Steve Silverman
12 says, "Come here, come here." Calls me into his office, says "Come here, come here,"
13 shows me this chart. This is the third year in a row -- fourth year in a row? Is this our
14 fourth time around on this already? And pretty much the same outcome every time and
15 the County's still in good shape and we still have a Triple-A bond rating and we've had
16 this same discussion now several years in a row, and we're still a healthy County. Ms.
17 Praisner did you want to comment?

18
19 Councilmember Praisner,
20 No.

21
22 Council President Leventhal,
23 Okay, so those in favor of the motion offered by Mr. Denis will signify by raising their
24 hands. And that would be Mr. Denis, Ms. Floreen, Mr. Silverman, myself, and Mr. Perez.
25 Those opposed will signify by raising their hands. That would be Mr. Knapp, Mr.
26 Andrews and Ms. Praisner. The vote is 5-3 to pass the Denis motion. Okay, what's
27 next? We we're going to talk about PAYGO? Are we... We've passed Mr. Denis' motion,
28 what's next?

29
30 Councilmember Praisner,
31 We're done unless there's other motions to adjust other things.

32
33 Council President Leventhal,
34 Okay, Mr. Silverman.

35
36 Councilmember Silverman,
37 Yeah, I have a question -- Thank you, Mr. President. I have a question and then a
38 motion. I'm not going to make a motion to change the implementation rate. We can
39 always deal with that in the spring.

40
41 Unidentified Speaker,
42 Good luck.

43
44 Councilmember Silverman,
45 But I do want to ask, these numbers are absurd. I hope we would...

February 7, 2006



1 Councilmember Praisner,
2 Remember, those are to some extent reflection of when payments are made, and...

3
4 Councilmember Silverman,
5 Well, that's, I guess -- all right, my question is how in FY '05 do we have numbers as
6 low as we have?

7
8 Dr. Glenn Orlin,
9 Mr. Hawes is in the room I think.

10
11 Councilmember Silverman,
12 What, we're going to blame the school system?

13
14 Councilmember Praisner,
15 Well, they're at 66. Yeah, I know, but look at everything else. They're at 66% and we've
16 said that they were at 120% usually.

17
18 Dr. Glenn Orlin,
19 This is the reason it brings up the average they usually spend.

20
21 Councilmember Silverman,
22 I know, what are you doing over there, Dick?

23
24 Richard Hawes,
25 This is a dip in the average here. I think a lot of that...

26
27 Councilmember Silverman,
28 This is like half what it was three years ago.

29
30 Richard Hawes,
31 I think that's an anomaly that had to do with the fact that construction prices were
32 starting to ramp-up...

33
34 Councilmember Praisner,
35 So they slowed down the construction and they slowed down the payments.

36
37 Richard Hawes,
38 Right, we had to ask for some transfers and Special Appropriations that slowed down
39 the implementation. It didn't delay any projects, it just slowed down the payments
40 basically.

41
42 Councilmember Silverman,
43 I guess the comment that I would make and that -- I guess this is -- I'm making it to
44 myself and maybe to my colleagues, is when we get into the discussion about the
45 capital budget in Committees that we try actually to understand what we're doing
46 because we have, you know, in recent history, adjusted the...

February 7, 2006



Council President Leventhal,
Well, let's not try to understand what we're doing.

Councilmember Silverman,
Well, we've adjusted the implementation rate from time to time when it's been appropriate, and that's why I'm not suggesting we do it now but given this enormous drop-off it just raises the question about whether we're putting money in for projects that in effect aren't going to get built.

Dr. Glenn Orlin,
More likely what's going to happen the FY '06 number is going to go higher.

Councilmember Praisner,
Is going to go higher.

Councilmember Silverman,
Okay. Well, fine, all right. Well, that was my question. Thank you, Dr. Orlin.

Councilmember Praisner,
Unless the finance system falls apart and we can't pay our bills.

Councilmember Silverman,
That's true. All right, with regard, Mr. President, to PAYGO, which is on page 6, I guess what I'm going to suggest, it is my understanding -- and Mr. Firestine may or may not want to comment on this I'm not going to drag you into this -- but it is my understanding that the interest in having the \$24 million in PAYGO was to establish this 10% ratio.

Council President Leventhal,
Mr. Silverman, could I just interrupt for a moment? It was my understanding that the motion offered by Mr. Denis...

Councilmember Praisner,
It changed...

Council President Leventhal,
included both the borrowing amount and the PAYGO amount.

Councilmember Silverman,
Right, but I'm dealing with the last four years. I want to deal with the last four years of PAYGO because it doesn't make any sense to me why we would drop the last four years of PAYGO down to \$24 million from what we've done in previous years.

Councilmember Praisner,
Because, in the end, we haven't necessarily done it.

February 7, 2006



Councilmember Silverman,

I mean, If the goal -- Tim, maybe you want to say -- if that was the goal to ensure or establish a principle that you're going to keep 10% ratio, then 10% should be the floor, not the ceiling. And historically, if you go back on even on this chart, the PAYGO has varied from year to year depending on what the economy is. And I guess I'm wondering whether there was a justification for a reduction in '09, '10, '11, and '12 in terms of PAYGO. I'm not talking about the first two years of the CIP, that is what it is.

Councilmember Praisner,

You're talking about the 38 that existed when we adopted the budget in '09, and the 24...

Councilmember Silverman,

I'm talking about the fact that last year when we adopted the amended budget for the last four years of the CIP, we had 36, 38, 38, and 39.6.

Councilmember Praisner,

I think Dr. Orlin wanted to comment.

Councilmember Silverman,

Why wouldn't we have the same numbers?

Dr. Glenn Orlin,

Well, this chart on Table 5 and the bottom of 6 looks very much like the chart Ms. Praisner turned out turned on its head. The amount of money that we programmed for PAYGO in the latter years of prior CIPs what actually ended up being spent was a minuscule amount. And I think the concern from the -- what Mr. Firestine and others in Executive branch recognize is "Well, look, let's program something and stick to it." Even if it's a lower number it'll still be higher than what we've been spending.

Tim Firestine,

Yeah, and I think clearly what we're trying to do.

Councilmember Praisner,

You can always put more in, but the point is let's stay with our commitment.

Tim Firestine,

It was a compromise. To me the policy is what's important to get in place. And, you know, I thought it was a nice thing to take to the rating agencies based on the experience we have had which hasn't been good....

Councilmember Praisner,

And the concern they've raised about PAYGO.

Tim Firestine,

February 7, 2006



1 ...about how much we've said we're going to put in PAYGO and then ultimately how
2 much we do. At least if we have a policy in place, you've been very good about sticking
3 to policy. And the compromise was to pick 10%, which actually reduces the amount of
4 PAYGO by, I think it's 16% in the capital budget. But I don't think it was intended to be a
5 maximum. Clearly you can go above the 10%.

6
7 Councilmember Praisner,
8 And certainly when we go to the operating budget discussions you can put a lot of
9 current revenue into PAYGO.

10
11 Councilmember Silverman,
12 Well, right. But, again, I'm not talking about what we end up doing in the first year, I
13 mean in the FY '07 budget because that's always a balance we know the operating and
14 capital budget, and if you want to take \$10 million out of the operating budget and put it
15 into the capital budget, you know, how do you do that? That's a debate we'll have in the
16 springtime. I'm just at a loss to understand why we would, from an affordability
17 standpoint...

18
19 Tim Firestine,
20 There's no question in my mind it should be higher.

21
22 Councilmember Praisner,
23 Well probably because we'll be responding to GASB at that point, and it won't be current
24 revenue for capital budget.

25
26 Council President Leventhal,
27 Okay, let's let Mr. Firestine respond to the question.

28
29 Councilmember Praisner,
30 I'm sorry, [Butch].

31
32 Tim Firestine,
33 Again, it was never intended to be a maximum. I think what we were trying to do is at
34 least get some floor that's tied or linked to the amount of debt that we issue for that
35 year.

36
37 Councilmember Silverman,
38 Sure.

39
40 Tim Firestine,
41 And it's a good policy I think to have that in place. But it certainly could go higher. It
42 doesn't have to -- even 10% -- it could be a higher amount than 10%.

43
44 Councilmember Silverman,
45 Well, I guess what I'm going to do is I'm going to move the FY '05-10 numbers for the
46 last four years of the CIP so '09 through '12 would be 36, 38, 38, and 39.6. I mean we're

February 7, 2006



going to -- ultimately a future Council is going to decide what to do with this. But this obviously is affordable. It's a PAYGO number and it provides us the maximum flexibility in the spring to deal with a back-end problem. If we're going to raise -- if we potentially might raise the bond numbers in the first two years to accommodate some challenges that we may have in the first two years, I'm trying to address Mr. Knapp's comment, which was if we've moved -- if what the County Executive has actually done is to accelerate all the capital items for nonschools, for example, to the front end and push schools into the back, then it seems that if we increase the PAYGO from the numbers recommended by the Executive we will end up having at least, based on these numbers, at least 12 to \$15 million per year for the back four years of the CIP.

Council President Leventhal,

Let me just review the bidding here. We voted for the Denis motion which set PAYGO at \$26.4 million in '07 and '08, at \$29 million in '09 and FY '10 and at \$34 million in FY '11 and FY '12. Your motion, Mr. Silverman, would do what now?

Councilmember Silverman,

Move them up to -- they're all across-the-board for '09-'12 at 24 each, and I would recommend...

Multiple Speakers,
No, they're not.

Council President Leventhal,

The Council just voted for Mr. Denis' numbers, which are listed here.

Councilmember Silverman,

I'm sorry, okay, then I apologize. I take it all back. It's not that great an increase. It would be for instead of \$29 million for '09 and '10, it would be...

Glenn Orlin,

Well, for '09, instead of 29 it would be 36.

Councilmember Silverman,

Yeah, 36, and then it would be...

Glenn Orlin,

And FY '10, instead of 29 it would be 38.

Councilmember Silverman,

38 and then in the back two years instead of \$34 million, it would be 38 and 39.6. It's a pretty marginal change. It's about the \$20 million more over the four years for our CIP.

Council President Leventhal,

Is there a second? Hearing none the motion fails for lack of a second. Okay. Ms. Praisner, you wanted to comment?

February 7, 2006



Councilmember Praisner,
No, I'm just on [INAUDIBLE].

Council President Leventhal,
Okay, are there any further comments or motions regarding the Spending Affordability Guidelines? If not those in favor of the Spending Affordability Guidelines as amended will significant in my by raising their hands. That would be Mr. Denis, Ms. Floreen, Mr. Silverman, Mr. Perez, and myself. Those opposed to the amended Spending Affordability Guidelines? Mr. Knapp, Mr. Andrews, and Ms. Praisner. The Spending Affordability Guidelines pass on a vote of 5-3.

Glenn Orlin,
Could I ask for a clarification? That means that the Council agrees with all the other assumptions, as the Committee recommended?

Council President Leventhal,
We agree to the rest of the Committee recommendations.

Councilmember Praisner,
No other motions.

Council President Leventhal,
That concludes the Spending Affordability Guidelines. And we're now in District Council session. We have introduction of a Zoning Text Amendment 06-06: Off-street Parking in the RE-200 and RE-1 Zones. We have a resolution to establish a public hearing for March 14th at 1:30p.m. We need a motion to that affect.

Councilmember Praisner,
So moved.

Council President Leventhal,
Ms. Praisner moves. We need a second.

Councilmember Perez,
Second.

Council President Leventhal,
Ms. Praisner moves and Mr. Perez seconds the resolution to establish the public hearing on ZTA 06-06 on March 14th, those in favor will signify by raising their hands. It is unanimous among those present. Ms. Praisner.

Councilmember Praisner,
I just want to comment on this. What has occurred is we have changed the zoning on certain parcels without changing or not addressing the implications for those neighborhoods of the off-street parking requirements. And this is an effort to try to

February 7, 2006



1 respond to that issue on behalf of folks who find themselves with unintended
2 consequences. It does raise the issue of having our in front of us, when we rezone in
3 master plans or otherwise, what the implications might be. Many of which may be
4 hidden from the initial reaction but have these impacts for neighborhoods.

5
6 Council President Leventhal,
7 Okay, thank you. Next we have ZTA 05-22: Transit Station Mixed Use TSM Zone
8 Central Business District. Chairman Silverman.

9
10 Councilmember Silverman,
11 Thank you, Mr. President. The Planning, Housing, and Economic Development
12 Committee recommends 2-0 that the ZTA be approved. Ms. Praisner was at another
13 Council obligation. We had a minor amendment. Ralph, where's our minor amendment?

14
15 Ralph Wilson,
16 It's on line 20 of the ZTA.

17
18 Councilmember Silverman,
19 I'm sorry, where?

20
21 Ralph Wilson,
22 We deleted the word "or" on Circle 4.

23
24 Councilmember Silverman,
25 To address the concerns about -- this is on Circle 4 -- to address the concerns about
26 whether it is broader than what the sponsors of the legislation actually intended it to be.
27 This will allow a single TSM rezoning application be filed for property on the periphery of
28 a Central Business District with an adjoining property just outside the CBD that's eligible
29 for the TSM zone. And this basically will ensure that there will be a composite zoning
30 review and development process for adjoining properties that otherwise would have to
31 conform to different zoning standards if they were processed separately. The
32 Committee did not support extending the scope of the ZTA to include the TSR zone as
33 recommended by the Planning Board. That'll be saved for another day. That's the
34 report.

35
36 Council President Leventhal,
37 Ms. Praisner.

38
39 Councilmember Praisner,
40 Yes, I'm sorry that I couldn't attend. The issue, the major issue was the inclusion of the
41 TSR as Pacific Federation's testimony also raised. I'm okay with it. I support it.

42
43 Councilmember Silverman,
44 Good.

45
46 Council President Leventhal,

February 7, 2006



1 Okay, very good. The clerk will call the roll on ZTA 05-22.

2
3 Mary Ann Paradise - Deputy Council Clerk,
4 Mr. Denis?

5
6 Councilmember Denis,
7 Yes.

8
9 Mary Ann Paradise - Deputy Council Clerk,
10 Ms. Floreen?

11
12 Councilmember Floreen,
13 Yes.

14
15 Mary Ann Paradise - Deputy Council Clerk,
16 Mr. Silverman?

17
18 Councilmember Silverman,
19 Yes.

20
21 Mary Ann Paradise - Deputy Council Clerk,
22 Mr. Andrews?

23
24 Councilmember Andrews,
25 Yes.

26
27 Mary Ann Paradise - Deputy Council Clerk,
28 Mr. Perez?

29
30 Councilmember Perez,
31 Yes.

32
33 Mary Ann Paradise - Deputy Council Clerk,
34 Ms. Praisner?

35
36 Councilmember Praisner,
37 Yes.

38
39 Mary Ann Paradise - Deputy Council Clerk,
40 Mr. Leventhal?

41
42 Council President Leventhal,
43 Yes. The ZTA is adopted unanimously. Next we have ZTA 05-21: Corporate Training
44 Center, CP Zone. Chairman Silverman.

45
46 Councilmember Silverman,

February 7, 2006



1 Thank you, Mr. President. ZTA 05-21: Corporate training center CP zone, would allow
2 corporate center by right in the Commercial Office Park Zone. It is specifically defined to
3 include lodging facilities, related dining, recreation, support. The Committee
4 recommended 2-0, again with Ms. Praisner being away on other Council business, to
5 support the ZTA. We did not agree with Planning Board and Council staff that would
6 have expanded the ZTA by eliminating the headquarters and the 500 employee
7 requirement because we weren't sure what the expansion of the scope of the ZTA
8 would be in terms of its impact. We also believed that it would be unlikely that a
9 business with less than 500 employees would need to develop its own corporate
10 training center. We recommended an immediate effective date and the safeguard that
11 we have in here to avoid another sort of [Bulger] scenario where you've got an entity
12 that was created by the federal government which is now apparently open for Bar
13 Mitzvahs, weddings, and other assorted things to the public, in direct competition with
14 other County businesses. The safeguard is that the language says that it has to be open
15 only to serve the workforce, training, and education needs of employees, customers,
16 and visitors to the corporate headquarters. So the Committee recommended unanimous
17 approval.

18
19 Council President Leventhal,
20 Ms. Praisner.

21
22 Councilmember Praisner,
23 To strongly support this ZTA, I think the Planning Board's suggestions, as I indicated in
24 my memo to the Committee, I was okay with modifying by eliminating "Headquarters,"
25 with still the requirement, especially with the number of employees, but to make sure
26 that there were no unintended consequences, I was happy to leave it as I suggested to
27 my colleagues, leave it. I was concerned that the Planning Board in their testimony to us
28 made some suggestion about the fact that we need to -- we need better methods of
29 outreach to citizens and corporations that are potentially impacted by zoning ordinance
30 text amendments. In my view the Planning Board plays a unique role in that given that
31 they have the capacity to identify the zones where the Zoning Text Amendments are
32 also relevant and the uses in those areas. And I would hope that the Planning Board
33 and staff can help us with that process by identifying what their role will be in that. And I
34 support the zoning.

35
36 Council President Leventhal,
37 Okay. Thank you. We'll have a roll call vote on ZTA 05-21.

38
39 Mary Ann Paradise - Deputy Council Clerk,
40 Mr. Denis?

41
42 Councilmember Denis,
43 Yes.

44
45 Mary Ann Paradise - Deputy Council Clerk,
46 Ms. Floreen?

February 7, 2006



Councilmember Floreen,
Yes.

Mary Ann Paradise - Deputy Council Clerk,
Mr. Silverman?

Councilmember Silverman,
Yes.

Mary Ann Paradise - Deputy Council Clerk,
Mr. Andrews?

Councilmember Andrews,
Yes.

Mary Ann Paradise - Deputy Council Clerk,
Ms. Praisner?

Councilmember Praisner,
Yes.

Mary Ann Paradise - Deputy Council Clerk,
Mr. Leventhal?

Council President Leventhal,
Yes, and Mr. Perez has just joined us.

Mary Ann Paradise - Deputy Council Clerk,
Mr. Perez?

Councilmember Perez,
Yes. Absolutely.

Council President Leventhal,
The vote is unanimous among those present. We have four resolutions to establish
public hearings on ZTAs, these can be on block.

Councilmember Praisner,
I'll move it.

Council President Leventhal,
The motion is made by Ms. Praisner, do we have second?

Councilmember Floreen,
Second.

February 7, 2006



Council President Leventhal,
The motion is made by Ms. Praisner and seconded by Ms. Floreen. A single vote to establish public hearings on Zoning Text Amendment 06-01: Rural Village Center Overlay Zone, Zoning Text Amendment 06-02: Mixed Use Town Center Zone, Zoning Text Amendment 06-03: Rural Neighborhood Cluster Zone TDR option, Zoning Text Amendment 06-04: Rural Neighborhood Cluster Zone, Rural Open Space. All four ZTA's will be heard if this resolution passes on March 7th at 1:30 p.m. Those in favor of the resolution will signify by raising their hands. It is unanimous among those present. The Council moves into Legislative Session. Do we have Legislative Journal for approval?

Mary Ann Paradise - Deputy Council Clerk,
Yes, you have the journal of January 24th.

Councilmember Praisner,
Move approval.

Council President Leventhal,
Vice President Praisner has moved approval and Mr. Perez has seconded approval of the Legislative Journal of January 24th. Those in favor will signify by raising their hands. It is unanimous among those present. We have introduction of Bill 2-06: Collective Bargaining, County Employees, fact-finding sponsored by the President at the request of the County Executive. A public hearing. Do we need a motion? We've got it. A public hearing is scheduled for March 7th, at 1:30 p.m. We have call of bills for final reading. Bill 44-05: Motor Vehicles, Parking Violations. Chairwoman Floreen.

Councilmember Floreen,
Thank you, Mr. President. The T&E Committee recommends approval of this legislation. It was introduced apparently because of the concern that maximum -- the current requirement that a maximum parking fines be assessed against people who park in handicapped and fire lanes are routinely not imposed by the District Court because of the District Court's discomfort with that high number. I'm not sure that this will really fix the problem but we say maybe it will. Basically the Committee recommends approval with some minor adjustments to repeal the District Court review requirement. We're told by the District Court they don't review these things. Rearrange the reference to DPWT instead of the Department of Finance, and require quarterly report on waivers and refunds rather than the monthly report as well. There needs to be a [concord] adjustment that we anticipate. And with that, we will recommend approval.

Council President Leventhal,
Okay. The T&E Committee's recommendations is before the Council. The clerk will call the roll.

Mary Ann Paradise - Deputy Council Clerk,
Mr. Denis?

February 7, 2006



Councilmember Denis,
Yes.

Mary Ann Paradise - Deputy Council Clerk,
Ms. Floreen?

Councilmember Floreen,
Yes.

Mary Ann Paradise - Deputy Council Clerk,
Mr. Silverman?

Councilmember Silverman,
Yes.

Mary Ann Paradise - Deputy Council Clerk,
Mr. Knapp?

Councilmember Knapp,
Yes.

Mary Ann Paradise - Deputy Council Clerk,
Mr. Andrews?

Councilmember Andrews,
Yes.

Mary Ann Paradise - Deputy Council Clerk,
Mr. Perez?

Councilmember Perez,
Yes.

Mary Ann Paradise - Deputy Council Clerk,
Ms. Praisner?

Councilmember Praisner,
Yes.

Mary Ann Paradise - Deputy Council Clerk,
Mr. Leventhal?

Council President Leventhal,
Yes, the vote is unanimous among those present. Next we have expedited Bill 42-05,
Minority Owned Business Purchasing Program Extension. Chairwoman Praisner.

February 7, 2006



Councilmember Praisner,

Thank you. The Management and Fiscal Policy Committee reviewed the bill last month and recommends approval with a couple of minor amendments that help to clarify the legislation. As you know, we had extended the County's existing Minority, Female, Disabled, Owned Business Purchasing Program last -- in our most recent action in order to allow us to have legislation and a program in place while we considered the new proposal that comes to us from the County Executive. As you also know, this is the structure of the program, the meat and potatoes, so to speak, will come in the Executive regulation which should be coming to the Council this month we anticipate. And then we will review the regulations which are the process or mechanism for implementation of the law. The Executive has, as you also know, as the Council knows, submitted to the Council a disparity study completed by Griffin and Strong which indicated that there is a legal basis to continue to -- that the legal basis continues to exist that would justify the extension and continuation of a County MFD program. We've had an MFD program since 1982, but since inception, and based on actions of courts, we've modified and adjusted the program both to reflect conditions within the County and to accommodate the requirements that are associated with legal actions. As the packet indicates in 2005, last year, MFD firms received close to \$90 million in County contracts. The percentage of procurement contracts to MFD firms over the years since 2005 is about 21% of our contracts. What the bill does is change the market size or the area that will be analyzed for the MFD program from the Washington, D.C./Baltimore Consolidated Metropolitan Statistical Area, that's the title that goes with that criteria justification, to the County's relevant geographic market area, which has as the study suggests, is a more appropriate area to be used for this analysis. It extends procurement notification requirements under the program to all businesses, not just minority-owned businesses. It increases the dollar cap for purchases subject to the minority-owned business goals from \$3,000 to \$5,000, but decreases the dollar cap for more than \$65,000 to \$50,000 for certain prime contractor reporting requirements and establishes that the percentage dollar value purchase goals must correspond to the availability of a socially or economically disadvantaged group based on source selection methods and purchasing categories. The -- as I said the regulations, we'll implement them. The Committee's amendment is on line 85 and 108 where we recommended changing the references to the report which the Executive is required to provide to us in order to establish both the basis for the program and the analysis areas. I think it's also on line 62 to 65 as well. Relevant Geographic Market Area meaning the geographic area identified by a County Executive in a report dated July 1st, 2005, that evaluates the need to continue the program and is issued with accordance with Section 11b-61b. The term "report" was not in the Committee's view clearly enough identified and left a suggestion that we get an annual report, which we know we get, and the reference to report could have been confused with that annual report rather than the report that we've already received. So those are the modifications that were made in a variety in the legislation just to clarify the report that we're referring to. The Committee unanimously recommends approval.

Council President Leventhal,
Ms. Floreen.

February 7, 2006



Councilmember Floreen,
Oh, I'm sorry.

Council President Leventhal,
Oh, okay. Great, I just want to really thank Ms. Praisner for her attending to this issue. It is a program and a policy that is often misunderstood. Those who feel the most strongly in support of having an MFD program often use the disparity study as justification for a stronger program. In fact, we need a disparity study in order to hang on to the program we've got, and that is hard to explain and hard to understand, but it remains the case. We're all committed to increasing opportunity and providing a fair chance to compete for all businesses in this County and making sure that no business is unfairly left out and we pay particularly attention too the needs of historically disadvantaged businesses. I think this Council has taken many very important steps in that regard including the reenactment of this legislation as well as the Local Small Business Reserve and I've enjoyed working with Ms. Praisner on all these issues and her attention to these issues is outstanding and much appreciated. The clerk will call the roll on Expedited Bill 42-05.

Mary Ann Paradise - Deputy Council Clerk,
Mr. Denis?

Councilmember Denis,
Yes.

Mary Ann Paradise - Deputy Council Clerk,
Ms. Floreen?

Councilmember Floreen,
Yes.

Mary Ann Paradise - Deputy Council Clerk,
Mr. Silverman?

Councilmember Silverman,
Yes.

Mary Ann Paradise - Deputy Council Clerk,
Mr. Knapp?

Councilmember Knapp,
Yes.

Mary Ann Paradise - Deputy Council Clerk,
Mr. Andrews?

Councilmember Andrews,

February 7, 2006



1 Yes.

2
3 Mary Ann Paradise - Deputy Council Clerk,
4 Mr. Perez?

5
6 Councilmember Perez,
7 Yes.

8
9 Mary Ann Paradise - Deputy Council Clerk,
10 Ms. Praisner?

11
12 Councilmember Praisner,
13 Yes.

14
15 Mary Ann Paradise - Deputy Council Clerk,
16 Mr. Leventhal?

17
18 Council President Leventhal,
19 Yes, the Bill passes unanimously...

20
21 Councilmember Praisner,
22 Mr. Leventhal, I'd like to thank Marc Hansen for all his work on this work on this issue,
23 he's worked well with the Committee.

24
25 Council President Leventhal,
26 Let's thank Marc Hansen, let's thank Sonya Healy...

27
28 Councilmember Praisner,
29 Yes, our staff, too.

30
31 Council President Leventhal,
32 ...and let's thank Mike Faden and all who worked on this. And let's go to the Special
33 Appropriation to the -- Mr. Knapp?

34
35 Councilmember Knapp,
36 I just -- personal privilege, sorry, I need to let the Clerk know that for Items 6 and 7 I will
37 vote affirmatively. Thank you.

38
39 Council President Leventhal,
40 Noted. Thank you, Mr. Knapp. We have action on a Special Appropriation to the Park
41 and Planning Commission's '06 operating budget. \$1,153,100...

42
43 [LAUGHTER]

44
45 Councilmember Praisner,
46 Everybody's got it.

February 7, 2006



1
2 Council President Leventhal,
3 ...for the Development Review Division.

4
5 Councilmember Silverman,
6 Mr. President, I'm happy to start this process. It is on the agenda for 11:20.

7
8 Council President Leventhal,
9 Okay, we could recess.

10
11 Councilmember Silverman,
12 Well, I don't -- I'm assuming that somebody relating to...

13
14 Council President Leventhal,
15 Somebody from Park and Planning may have an interest in a \$1 million, what do you
16 think?

17
18 Councilmember Praisner,
19 Bea, we finished.

20
21 Council President Leventhal,
22 We passed it, Bea.

23
24 Councilmember Silverman,
25 Unless you're here for Park and Planning...

26
27 Council President Leventhal,
28 You still have a program.

29
30 Councilmember Praisner,
31 Thank you, Bea.

32
33 Beatrice Tignor,
34 [INAUDIBLE]

35
36 [LAUGHTER]

37
38 Council President Leventhal,
39 Okay, we still have a program. Okay.

40
41 Councilmember Praisner,
42 That's okay.

43
44 Council President Leventhal,
45 Okay. The Council will be in recess until 11:20 a.m.

February 7, 2006



1 [NO AUDIO]

2 [MUSICAL INTERLUDE]

3
4 Council President Leventhal,
5 Chairman Silverman, we're ready to get going here. I'm glad to see [Ferral Hamer] is
6 here. Would you like \$1 million?

7
8 Councilmember Silverman,
9 Come on down.

10
11 [LAUGHTER]

12
13 Councilmember Praisner,
14 You have to...

15
16 Council President Leventhal,
17 Mr. Mooney is here.

18
19 Councilmember Praisner,
20 First you have to find out whether you want door one, two, or three.

21
22 Council President Leventhal,
23 Right, who wants to be a millionaire? Okay. We are on the Special Appropriation to Park
24 and Planning. There is a recommendation from the PHED Committee. Mr. Chairman.

25
26 Councilmember Silverman,
27 Thank you, Mr. President. This is a Special Appropriation for Park and Planning's FY '06
28 operating budget for the Development Review Division, in particular. The PHED
29 Committee is recommending approval for the Special Appropriation request with the
30 exception of funding for the Community Liaison which the Committee recommends be
31 considered during the Council's review of the FY '07 operating budget. The total
32 recommendation is \$902,080 for FY '06. Mr. Orlin, could you like to take us through the
33 packet?

34
35 Dr. Glenn Orlin,
36 Absolutely not.

37
38 Councilmember Silverman,
39 Glenn is here for decorative purposes. Marlene...

40
41 Councilmember Praisner,
42 Just another pretty face.

43
44 Councilmember Silverman,
45 Marlene could not be here because of a family situation and so Dr. Orlin agreed to
46 apparently be here for some inexplicable reason. Okay, I'd like to just sort of go through

February 7, 2006



1 this and then just see what kind of questions people have. We'll start on page 3, the
2 plan reviewers, this is to ensure that we beef up by three positions Development Review
3 to make sure that staff products are reviewed by supervisors as opposed to supervisors
4 having their own cases. This makes sure that there's adequate personnel in
5 Development Review to review preliminary plans, site plans, and zoning and special
6 exception cases. The cost in '06 is \$19,350, the annualized cost is \$193,500 that would
7 be incorporated the '07 budget. These are -- I can't remember if you've got something in
8 here, Bill, or not. But I know these positions are going to be paid for by revised fees. Did
9 you get us something about that?

10
11 Bill Mooney,
12 [INAUDIBLE]. I brought you some things if you want to look at them, but in terms of
13 fees, this year, of course, we're raising the fees. We're getting ready to put something
14 out for public comment. And it says -- I think it should say in here that we intend to
15 capture a portion this year from fees -- and this is what was in from the beginning --
16 some is coming from the reserves. We're looking at capturing -- the way we had the
17 fees structured when we were getting ready to go out is capture \$2.5 million in fees next
18 year. With some of the instruction you've gave us last week, we've taken a look, a very
19 close look, at other things that could be included in the fees. And depending on which
20 combination of them you could go to the point of capturing \$5 million in fees if you add
21 more of the legal office cost because we've been looking at that, and about three-
22 quarters of their work is Development and Review related, things like that.

23
24 Councilmember Silverman,
25 All right, let me fill the rest of the Council in on the discussion the PHED Committee had.
26 It started out with the recognition that some but not all positions are legitimately tied into
27 the Development and Review process. And with the same analogy that we have with
28 DPS, the goal is 100% recovery rate. It turns out that DPS does a lot of very appropriate
29 and creative things, which is charging for office space and other things to ensure that
30 those things which are related to Development Review by DPS are, in fact, not paid for
31 by general tax dollars. So we asked Park and Planning to do the same thing, to take a
32 look at space, to take a look at their legal operations -- their attorney operations relating
33 to Development and Review -- and anything else that can be appropriately assigned.
34 We also have a similar situation in the Department of Housing and Community Affairs
35 with landlord/tenant where those fees are tied into staff time that's allocated for landlord-
36 tenant so that's what Bill is referring to, and we'll have a broader discussion in the FY
37 '07 budget. But it sounds like we may be in a position to adjust the fees if the Council
38 wants to move in that direction, and reduce the general taxpayer burden on
39 Development Review issues. But what I think would be helpful when we go through this
40 is to identify which of these you know would be likely to be covered through the fee
41 process.

42
43 Bill Mooney,
44 Everything that is in this supplemental, we intend to cover with fees next year.

45
46 Councilmember Silverman,

February 7, 2006



1 But I -- Bill, I thought when we get to the operating expenses, these general operating
2 expenses...

3
4 Bill Mooney,
5 A lot of those are one-time expenses.

6
7 Councilmember Silverman,
8 I know that, but I'm just saying we'll go through this.

9
10 Bill Mooney,
11 Correct. Okay.

12
13 Councilmember Silverman,
14 We just need to clarify which ones are fee paid and which aren't. I understand they're
15 one time, but I'm just saying we should go through it anyway when we get to that so
16 everybody understands. Just so we know this \$193,500 for those that are saying we're
17 have to absorb those in the FY '07 budget, yes, we would, and that would be fee-paid
18 positions. Questions about the plan reviewers? Mr. Knapp?

19
20 Councilmember Knapp,
21 No.

22
23 Councilmember Silverman,
24 Okay, next item is Building Permit Reviewer. This is to supplement Wayne that's doing a
25 great job but there's only one of him. We determined that during the course of the OLO
26 analysis that there needed to be a second reviewer to provide more comprehensive
27 permit review including closer examination of permit compliance with underlying plans,
28 like project plans, preliminary plans, and site plans, and the conditions set at the time of
29 approval. This will provide a review of -- this will provide more complete documentation
30 and tracking of status of permits and a faster turnaround time of the documents. The
31 cost in '06 is \$5,690, annualized it's \$56,900 This is a fee-paid position.

32
33 Council President Leventhal,
34 Mr. Chairman, maybe -- could I just recommend that we see if Councilmembers have
35 objections to the overall recommendation of the Committee rather than go position by
36 position? That would be fine. I was actually going through this, not because I'm thrilled
37 about it but because it's sort of a large supplemental, and folks out there don't have the
38 benefit of our packet.

39
40 Councilmember Perez,
41 It's no larger than those school board -- school supplementals.

42
43 Councilmember Silverman,
44 It's your call. We can just see who has questions if you want to do it that way.

45
46 Council President Leventhal,

February 7, 2006



1 Yeah, I think rather than going position by position, if you simply would like to itemize
2 each of the positions, but...

3
4 Councilmember Silverman,

5 Sure, fine, I'll just run through -- Community Liaison is the position that we basically said
6 we want to take up in the '07 budget. I.T. Specialist, the Committee recommendation is
7 to support this position. It's \$7,220 in '06, \$72,200 annualized, and that's also tied into
8 the Web Manager position. It was 2-1 vote on supporting the position at this time.
9 \$7,220 for '06 and \$72,200 annualized. Councilmember Praisner concurred with staff a
10 decision regarding the need for position should be deferred until consultant efforts to
11 improve web systems are complete. Are these -- I can't remember. These are or are not
12 fee paid? They are.

13
14 Bill Mooney,

15 They will be fee-paid.

16
17 Councilmember Silverman,

18 They will be fee paid. Technical Support Team on page 6, Committee supported this.
19 This is technical administrative support \$52,000 in '06, \$196,000 annualized. These are
20 fee-paid positions. The Attorney position, \$36,000 annualized at \$90,000 in FY '07. This
21 is fee-paid and that led to a broader discussion about the attorney positions as well.
22 Professional services are outlined on Circle 38. They involve outside counsel of
23 \$50,000, Engineering services \$45,000, Management Partners, which is the consulting
24 team that's reviewing Park and Planning, that's \$125,000. Real Estate Economist,
25 \$50,000. By the way, is there any truth to the rumor that now that Alan Greenspan has
26 stepped down as Fed Chair you're going to be bringing him on as the Economic
27 Consultant?

28
29 Unidentified Speaker,
30 He's got some time.

31
32 Councilmember Silverman,
33 That's right.

34
35 Bill Mooney,
36 It's interesting.

37
38 Councilmember Praisner,
39 Not much of a travel cost.

40
41 Councilmember Silverman,
42 No, that's true. Of course, we would never understand what he was saying. Technical
43 support...

44
45 Multiple Speakers,
46 [INAUDIBLE]

February 7, 2006



Councilmember Silverman,
Technical support \$85,900. Management consulting \$90,000. Are any of these fee-paid positions or fee-paid dollars, Bill?

Bill Mooney,
These are costs for this fiscal year, and they will be the ones basically allocated to coming out of the reserves.

Councilmember Silverman,
Okay, so those are not fee-paid but they're one-time -- basically one-time expenditures.

Bill Mooney,
Correct, and historically -- do you want me to talk a little bit more fees now?

Councilmember Silverman,
No, no, not unless there are Councilmember questions.

Council President Leventhal,
There is, actually, Mr. Knapp has a question.

Councilmember Knapp,
No, I'll wait until you get done...

Councilmember Silverman,
Okay. And then the last item is that catchall, Other Expenses, which relates to square footage. This is on Circles 11 and 12. The -- we recommended this and I'm just trying to find out where the bottom line is here -- it's on Circle 12 under "Other Expenses," it's \$115,000. Is that right, Bill? Am I looking at the right chart? Oh, it's revised. I'm sorry, it's revised to 280.

Bill Mooney,
Right.

Councilmember Silverman,
But that includes the professional services so other expenses is -- oh, I'm sorry, I'm sorry. No, it's 280. 240 for office space rent.

Bill Mooney,
240 is the annualized cost.

Councilmember Silverman,
Right.

Bill Mooney,
Be careful.

February 7, 2006



Councilmember Silverman,
All right. Sorry. Where are we then? Is it 3...

Bill Mooney,
Tell me which page.

Unidentified Speaker,
It's 345.

Councilmember Silverman,
It's 345, sorry. We're on Circle 12. The column that says Revised Supplemental Proposal.

Bill Mooney,
Right, right, right.

Councilmember Silverman,
\$345,000 under Other Expenses, which includes office space rental, fiber net connection, computers and printer, office furniture, document reproduction scanning, training in new technology and software for a total of \$345,000. These are on-going to the extent they're annualized in the next column over. That's the Committee report.

Council President Leventhal,
Mr. Knapp.

Councilmember Knapp,
Thank you, Mr. President. Just two questions. On page 2, it has the revised request and then I guess it's got the annualized cost. So if I see this right the appropriation's for 911 and then the annualized cost for next year that we'll see in the budget is the 1.26? Is that correct?

Bill Mooney,
That's correct.

Councilmember Knapp,
And then other one, this came up in the Committee discussion and I didn't here the resolution of it, and you alluded to it just a minute ago. The notion of Park and Planning fund reserves, reserve fund, that we -- that there is such a thing.

Bill Mooney,
Well, yeah, there's -- in the tax -- when we set our tax rate, there's always a -- I think 3% this year, looking at maybe 4% next year, where we collect more than we propose to spend each year. The same as the County does, the County always has a reserve for contingencies.

February 7, 2006



Councilmember Knapp,
Okay, and where does get -- I am curious where that gets captured and how that -- what happens to that at the end of each year. Does that just roll over each year? Do you have...

Bill Mooney,
If it's not spent it rolls over and it becomes a reserve for the next year and you wouldn't capture it again. If you spend it then you have to build your tax rate to recapture it.

Councilmember Knapp,
So right now you've got roughly 3% of Park and Planning's annual budget as a reserve.

Bill Mooney,
In the tax reported, correct.

Councilmember Knapp,
Okay, all right. Thank you.

Council President Leventhal,
Okay. Are we ready to vote?

Councilmember Silverman,
We are.

Council President Leventhal,
All right, those in favor of the Committee's recommendation on the Special Appropriation will signify by raising their hands? That would be Mr. -- that would be everyone. That is unanimous. That is unanimous. Okay, the Committee's recommendation is adopted. Thank you to Park and Planning. And the Council stands -- Mr. Subin.

Councilmember Subin,
Thanks, Mr. President. I would have been here this morning for the SAG vote but I was at Walter Johnson High School celebrating the incredible accomplishment of theirs. They're number one in the world designated by the College Board in A.P. World History. So, I was there, but I'd ask the Council President to be recorded as having voting with the majority on SAG.

Council President Leventhal,
The Clerk will so note. The Council stands in recess. We have a public hearing at 1:30. I want to let my colleagues know that there are no speakers for the 1:30 hearing, as I understand it, unless Mr. Farber has different information. My note says there were no speakers.

Steve Farber,
I believe that's correct.

February 7, 2006



1
2 Council President Leventhal,
3 Right, okay, we do, however, have a lot of speakers tonight beginning at 7:00 p.m.

4
5 Councilmember Praisner,
6 The meeting's on the third floor, right?

7
8 Council President Leventhal,
9 On the third floor. So we will start on time at 7:00 p.m. And we have...

10
11 Councilmember Praisner,
12 Is it second floor or third floor for tonight's meeting?

13
14 Council President Leventhal,
15 Third floor, we just have a whole lot of speakers, so be prepared for a long night. The
16 Council stands in recess.

February 7, 2006



1
2 Council President Leventhal,
3 Good afternoon ladies and gentlemen. This is a public hearing on a Resolution to
4 approve a franchise agreement for the use of the public right-of-way by Looking Glass
5 Networks, Inc. A Management and Fiscal Policy Committee worksession is tentatively
6 scheduled for February 9 at 9:00 A.M. The record will close at the end of the hearing.
7 Before beginning your presentation, please state your name clearly for the record.
8 There are no speakers for this hearing. Ms. Praisner

9
10
11 Councilmember Praisner,
12 I had asked when this was introduced the issues associated with renewals and how we
13 make sure that we get them before they expire to the extent possible in the future if we
14 could have that conversation generically in MFP. Thank you.

15
16 Council President Leventhal,
17 Agenda Item 13. This is a public hearing on a resolution to approve a franchise
18 agreement for the use of the public right-of-way by NextG Networks Atlantic,
19 Incorporated. A Management and Fiscal Policy Committee work session is tentatively
20 scheduled for February 9th at 9:00 a.m. The record will close at the end of the hearing.
21 There are no witnesses. Agenda item 14. This is a public hearing on a resolution to
22 approve a franchise agreement for the use of the public right-of-way by Fiberlight, LLC.
23 A Management and Fiscal Policy Committee work session is tentatively scheduled for
24 February 9th at 9:00 a.m. The record will close at the end of the hearing. There are no
25 witnesses. And that concludes the public hearing. The council stands in recess until
26 7:00 p.m. tonight.
27